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Last Updated: 03/09/2022

National Provider Identifier (NPI) Update: DMAS Requirements for National Taxonomy Codes for Home Health, Private Duty, and Atypical Service Providers

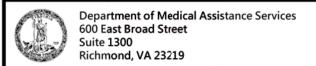
The purpose of this Medicaid Memorandum is to update DMAS participating providers about the Department of Medical Assistance Services' (DMAS) National Provider Identifier (NPI) implementation regarding the use of National Taxonomy Codes. DMAS has adopted the NPI as the standard for identifying <u>all</u> participating providers on <u>all</u> transactions (Automated Response System, Claims, and Prior Authorizations), including paper claims, for all DMAS Programs (Medicaid, FAMIS, SLH, and TDO). Participating DMAS providers who are not defined as health care providers by CMS (http://www.dmas.virginia.gov/npi-home_page.htm) and therefore ineligible to obtain an NPI will be issued a Virginia Medicaid specific API (Atypical Provider Identifier) that will be used in the same manner as an NPI.

What is Taxonomy?

The term "taxonomy" is used to refer to the orderly classification of things. Here it refers to the classification of health care providers by the assignment of a 10-character code to categorize provider service type. Examples include:

- n. Home Health Agency, 251E00000X
- o. Adult Day Health, 261QA0600X
- p. Durable Medical Equipment/Supply, 332B00000X

Payers are allowed to require submission of a taxonomy code when it is needed to process a claim. For more information on the HIPAA Health Care Provider Taxonomy code set, including the list of taxonomy codes, visit http://www.wpc-edi.com/codes/taxonomy.



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For the Federal requirements regarding taxonomy, please refer to HIPAA Implementation Guides for the 004010X096A1 Institutional and 004010X098A1 Professional Health Care Claim transactions. These Implementation Guides state that the taxonomy code is "Required when adjudication is known to be impacted by the provider taxonomy code." The HIPAA Transaction Set Implementation Guides are available for purchase at http://www.wpc-edi.com/hipaa.

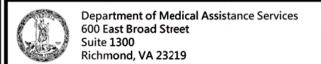
With the implementation of the NPI/API, DMAS will require some providers to include a taxonomy code on their claims submissions to DMAS to ensure proper payment of their claims.

Why is a Taxonomy Code Necessary?

Prior to using the NPI, DMAS assigned a unique legacy Medicaid provider number to a provider for each of the service types being billed. However, with the NPI, a provider may bill for more than one service type under a single NPI. Since claims are adjudicated and paid based on the provider service type, our system must determine which service type for the provider should be assigned to a particular claim. If the NPI represents more than one service type, a taxonomy code must be submitted so the appropriate service type can be identified.

Which DMAS Providers Require Taxonomy Codes?

DMAS will require taxonomy codes on claim submissions in situations where providers have not enumerated (or itemized) with separate NPIs, based on the type of service being provided. DMAS recommends that, if possible, organizational providers obtain an NPI for each service type. This eliminates the need to send a taxonomy code and removes any question about which service type is involved. If you are receiving this memo and you have not subparted, you are required to submit a



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taxonomy code that identifies the specific service type for which you are billing.

For example, a provider currently has two Medicaid Provider IDs, one for MR Waiver and another for Case Management. If this provider obtains a single NPI, then DMAS will require the provider to submit taxonomy codes to distinguish between claim submissions for the MR Waiver services and the Case Management Services.

Here are some examples of providers that will need to submit taxonomy codes if they have one NPI and bill for any combination of:

14. Home Health

14. Adult Day Care

15. Private Duty

15. Assisted Living

Nursing

16. Mental Health-Mental

16. Personal Care

Retardation Community Services

17. Respite Care

17. Case Management Waiver

18. MR Waiver

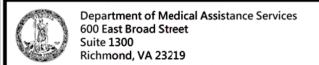
Services

Treatment Foster Care providers and Family Caregiver Training providers will be required to use their DMAS-assigned API to bill for these services. These atypical (non-healthcare) services are not

covered under the current healthcare provider taxonomy code set. Therefore, DMAS is unable to allow use of an NPI for Treatment Foster Care and Family Caregiver Training services.

We have attached the current list of provider types that are required to submit taxonomy codes on their claims submissions. However, providers should periodically visit

http://www.dmas.virginia.gov/downloads/pdfs/npi DMAS TaxonomyCodeSummary.pdf



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to review the most current list of who is required to submit taxonomy codes on their claims.

Providers who have questions about the NPI/API or Taxonomy Codes may contact DMAS at NPI@dmas.virginia.gov.

Which DMAS Providers are <u>not</u> Required to Submit Taxonomy Codes?

- Taxonomy codes are never required by providers that submit claims using an Atypical Provider ID (API).
- Most physicians/fee-for-service practitioners are not impacted by taxonomy, however there are some exceptions. Exceptions include:
 - n. Mental Health/Mental Retardation Community Services
 - o. Services for Waiver Recipients

This list of exceptions is subject to change and providers should visit http://www.dmas.virginia.gov/downloads/pdfs/npi_DMAS_TaxonomyCodeSummary.pdf to review the current list of who is required to submit taxonomy codes.

Paper Claim Submissions and Taxonomy Codes

 On a CMS-1500 claim, there may be one taxonomy code per service line. Please refer to the October 17, 2006 Medicaid Memo regarding General Billing Instructions for the New CMS-1500 (08-05) Form - Effective October 1, 2006, which is available at http://www.dmas.virginia.gov/pr-medicaid_memos_providers.htm.



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• On a UB-04 claim, there may only be one taxonomy code per bill. Please watch for an upcoming Medicaid Memo regarding General Billing Instructions for the new UB-04 Form.

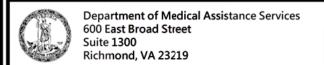
• Refer to the Virginia Medicaid Provider Manual for instructions on how to submit Taxonomy Codes on your paper claim submissions: http://www.dmas.virginia.gov/prm-provider manuals.htm.

Electronic Data Interchange (EDI) Claims and Taxonomy Codes

- On 837 electronic claim transactions, the taxonomy code is submitted in the PRV Segment of the 2000A Billing Provider Loop and/or the PRV segment of the 2420A Rendering Provider loop.
- Refer to the Companion Guides for instructions on how to submit Taxonomy Codes
 on your electronic claim submissions:
 https://virginia.fhsc.com/hipaa/CompanionGuides.asp.

Other Claims Submission Information

- While a taxonomy code is not always required, it can always be sent. It will be used only when needed.
- An NPI Taxonomy Summary document, which includes a <u>crosswalk</u> of DMAS Recommended Taxonomy Codes by Service Type, is available on the DMAS website at: http://www.dmas.virginia.gov/npi-whats new.htm.
- If claims are denied because of the need for a taxonomy code or an invalid



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taxonomy code, DMAS will indicate this by use of new Reject Codes for paper remittances, and use of standard Remark Codes on 835 RA Transactions.

• Rejection Codes:

EDI Remark: Medicaid Edit - Reject

N94: 1359 - Billing Taxonomy Code Does Not Cross-reference to Provider Type N94: 1392 - Taxonomy Code Does Not Cross-reference

to Provider Type

N288: 1393 - No Service Taxonomy Code on the Claim

N255: 1394 - No Billing Provider Taxonomy Code on the Claim

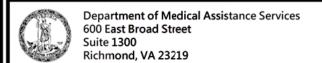
Sharing your NPI

Obtaining your NPI from the National Plan and Provider Enumeration System (NPPES) and sharing your NPI with DMAS are two entirely separate actions. Once you obtain an NPI from NPPES, you are responsible for sharing it with DMAS and other payers.

As a participating Medicaid health care provider you should have already obtained an NPI from NPPES (https://nppes.cms.hhs.gov), and enrolled your NPI with DMAS by responding to the NPI Re-Enrollment Packet or NPI Group Practice Enrollment Packet that was mailed to you.

If you have NOT yet shared your NPI with DMAS, then you need to complete your packet and send it to the First Health Provider Enrollment Unit (PEU) today! For a replacement copy of your NPI Re-Enrollment Packet, contact the First Health PEU at 1-888-829-5373 (In-state toll free) or 1-804-270-5105 (Outside Virginia).

Providers who have received a DMAS assigned API and who have obtained an NPI



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that they intend to use in place of their API, will need to notify DMAS by completing an Atypical Attestation Form.

The Atypical Attestation form and instructions area available at:

http://www.dmas.virginia.gov/downloads/pdfs/hpa-npi Atypical Enum Letter.pdf

NPI Training and Education

DMAS is conducting Web-Based Q&A sessions on topics associated with NPI such as taxonomy codes, subparts, group enrollment, new paper claim forms, and other NPI related topics. Visit the DMAS Learning Network at http://www.dmas.virginia.gov/LN-upcoming_events.htm for additional details on the new "Web-Based training and other DMAS training opportunities.

DMAS Service Types that REQUIRE a Taxonomy Code on Claims

when one NPI is used to bill for more than one type of service

Type of Service	Code(s)	Major Procedure CodeComments Billed (required modifiers are not noted)	
Private Duty Nursing	163WC2100X	T1002, T1003	

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Personal Care	3747P1801X	H2021, T1005, T1019, S5126, S5135, S5136, S5150, S5160, S5161, S5165, S5185,	
Respite	385H00000X	T1002, T1003, T1005, S5135, S5136, S9125	
Home Health	251E00000X	0550, 0551, 0559, 0571, 0424, 0421, 0431, 0434, 0441, 0444, 0542	
Family Care Training	None	S5111	Providers must bill for this service using their DMAS-assigned API. Even if provider obtains an NPI, this service must be billed with the API.
Adult Day Health	261QA0600X	S5102	
Assisted Living	310400000X 311500000X	T1020 (Regular) T2031 (Alzheimer's)	
Mental Health- Mental Retardation Community Services	251C00000X	H0040, H2000, H2011, H2014, H2021, H2023, H2024, H2025, T1002, T1003, T1005, T1019, T1028, T1999, S5109, S5116, S5126, S5135, S5136, S5150, S5165, 97139, 97535, 97537, 99509, 99199	
Case Management - Baby Care	251B00000X	99420, G9001, G9002, A0160, S0215, S9442, S9446, 97802, 97803, S5131	
Case Management Waiver	171M00000X 	H2000, S5109, S5116, S5135, S5165, T1016, T1028, 97139, 97535,	For AIDS Waiver for Services Facilitator CM Services For all other waiver case
Treatment Foster Care	251B00000X None	97537, 99199, 99509 T1016	management services. Providers must bill for this service using their DMAS-assigned API. Even if provider obtains an NPI, this service must be billed with the API.